

**REDEVELOPMENT PLAN FOR  
THE BRADFORD BUSINESS PARK PROJECT  
  
NORFOLK, NEBRASKA**

**PREPARED JUNE, 2020**

**BY THE COMMUNITY DEVELOPMENT AGENCY  
OF THE CITY OF NORFOLK, NEBRASKA**

## **A. Introduction**

This Redevelopment Plan for a blighted and substandard area of the City of Norfolk, Nebraska ("Redevelopment Plan") is a guide for redevelopment activities to remove or eliminate blight and substandard conditions within the City of Norfolk, Nebraska ("City"). The Mayor and City Council of the City (the "Council"), recognizing that blighted and substandard conditions are a threat to the continued stability and vitality of the City, designated certain areas of the City to be blighted and substandard and in need of redevelopment pursuant to the requirements of the Nebraska Community Development Law, sections 18-2101 et. seq., as amended (the "Act").

This Redevelopment Plan submits the phased implementation of a redevelopment project in the blighted and substandard West Highway 275 Redevelopment Area (the "Redevelopment Area") to optimize the tax increment financing ("TIF") resources available for site acquisition, construction of eligible public improvements, and to remove existing and avoid future blighted and substandard conditions. This Redevelopment Plan contemplates the phased construction of infrastructure improvements to support the future development of a business park within the Redevelopment Area (such public and private improvements required therefrom are collectively referred to herein as the "Redevelopment Project").

## **B. Redevelopment Area; Project Site; Existing Conditions**

The boundaries and existing conditions of the Redevelopment Area are shown in Exhibit A-1, attached hereto and incorporated herein. Exhibit "A-2", attached hereto and incorporated herein, sets forth the boundaries and existing conditions of the area to be developed as part of the Redevelopment Project (the "Project Site"). The Project Site is completely engrossed within the Redevelopment Area and is in need of redevelopment.

## **C. Conformance with the Comprehensive Plan**

In accordance with the Act, this Redevelopment Plan has been designed to conform to the City's adopted Comprehensive Plan (the "Comprehensive Plan"). Currently located in an Agriculture zoning district, the Project Site will require a change of zoning to allow for commercial, office and industrial use. Exhibit "B", attached hereto and incorporated herein, shows a portion of the future land use map (showing the Project Site and surrounding areas) included within the City's Comprehensive Plan. The map sets forth a Mixed Commerce designation for future use of the Project Site. A Mixed Commerce designation is intended to provide a development pattern that allows for greater flexibility to the City to develop industrial, commercial, and office uses within the designated area. Therefore, the anticipated development on the Project Site conforms to the future land use map in the Comprehensive Plan.

This Redevelopment Plan was developed on the basis of the goals, policies and actions adopted by the City for the community as a whole, the Redevelopment Area, and Project Site. The City forecasts population growth by 2040, which will require an increase in industrial and commercial land use. Specifically, the Comprehensive Plan provides that 367.05 additional acres of industrial property and 81.92 acres of additional commercial property are needed to encourage the City's goals for growth by 2040. The Project Site falls within an area identified in the Comprehensive Plan for such industrial and commercial growth. The Redevelopment Project will increase the availability of industrial and commercial property, and therefore is in compliance with the Comprehensive Plan's stated goals.

In accordance with the foregoing, the Redevelopment Project and this Redevelopment Plan is feasible and in conformity with the Comprehensive Plan as a whole, and conforms to the legislative declarations and determinations set forth in the Act.

#### **D. Redevelopment Project Overview**

The Project Site is located on 140 acres of undeveloped land positioned approximately one-half mile south of US Highway 275, bounded to the west by South 37<sup>th</sup> Street, to the south by Omaha Avenue, and to the east by undeveloped property. The Redevelopment Project will construct the necessary site preparation, infrastructure and transportation networks for a commercial and industrial business park. The Redevelopment Project will consist of infrastructure improvements over the course of multiple phases/years. At the completion of the Redevelopment Project, Redeveloper anticipates that the Project Site will have the capability to support approximately twenty-two (22) buildings with approximately One Million Two Hundred Twenty-eight Thousand (1,228,000) square feet of potential covered space, with shared water detention areas throughout. Greater Norfolk Economic Development Foundation, Inc., a Nebraska nonprofit corporation ("Redeveloper") will undertake the public infrastructure improvements contemplated as part of the Redevelopment Project. Once the infrastructure is in place (with respect to a lot), Redeveloper will market the lots for construction of private commercial, office and industrial uses thereon. Such private improvements are not a part of the Redevelopment Project undertaken by Redeveloper, but will affect the anticipated future valuation of the Project Site via the subsequent development of a combination of warehousing, manufacturing, industrial flex, commercial, office and institutional buildings on the Project Site.

Redeveloper currently owns the Project Site. Because the Project Site is currently vacant, no families or businesses will be displaced as a result of the Redevelopment Project. The Redevelopment Project does not require public acquisition.

The Redevelopment Project will require infrastructure improvements which are not financially feasible to undertake at one time. Completing the Redevelopment Project in phases

will allow the Redeveloper to maximize the TIF resources available for public improvements, which will be necessary for the Redevelopment Project to succeed. Further, implementation of the Redevelopment Project in multiple phases will allow purchasers of the developed lots to construct the private improvements at a rate that the market can support, and to adapt subsequent phases of the Redevelopment Project to the changing needs of the City. The Community Development Agency for the City (the "Agency") and Redeveloper anticipate that the Redeveloper will construct the Redevelopment Project in multiple phases consisting of the following improvements:

- Construction of internal public roadways providing access to the lots
- Construction of recreational trail connections to the City's existing trail network
- Site preparation, grading and detention of the lots
- Construction or extension of all water, sanitary sewer, electrical, and natural gas infrastructure necessary to service the lots
- Construction of a new public road (South 30th Street) to the southwest quarter of Parcel No. 590169157, which will serve as an eventual connection between Hwy 275 and West Omaha Avenue
- Construction of a new public road within or adjacent to the Project Site, connecting South 30th Street to South 37th Street
- In total, the Redevelopment Project will include construction of approximately twenty-two (22) sites for future development of commercial, office and industrial use buildings, totaling approximately 1,228,000 square feet of available building space.

The phases will occur on a lot-by-lot basis over the course of multiple years, and the progression and sequence of construction shall be carried out in the reasonable discretion of Redeveloper. The phases will be based upon the rate of construction, such that the "effective date" (as provided under section 18-2147 of the Act) for purposes of TIF will be determined on a lot by lot basis in order to maximize the TIF proceeds available to help finance the public improvements. Economic conditions and market demands will determine the progression of construction and number of phases needed for the same. The Redevelopment Project requires flexibility and will require a number of phases over the course of multiple years.

Exhibit "C", attached hereto and incorporated herein, sets forth the proposed site plan for the Redevelopment Project. Any increases or decreases in available square footage, alternative roadways, or other immaterial modifications to Exhibit "C" necessitated by economic, market, or environmental condition, or other extraneous factors affecting the Project Site, are specifically contemplated by this Redevelopment Plan and are in conformance herewith.

**E. Existing Conditions**

**1. Existing Land Use**

The Project Site consists of vacant, undeveloped land.

**2. Existing Zoning**

The Project Site is currently zoned as Agriculture. Agriculture zoning districts allow for farming and other agricultural practices. Accordingly, a zoning change is required.

**3. Existing Public Improvements**

Public roadways adjacent to the Project Site exist via Omaha Avenue (on the south) and South 37<sup>th</sup> Street (on the west). The Project Site is without paving, sewer, water, storm sewer, electrical service, public walks, and related infrastructure.

**F. Proposed Redevelopment**

**1. Public Improvements**

The Redevelopment Project will require significant infrastructure improvements and other public improvements. These improvements will include, but are not limited to:

**a. Public Access; Traffic Flow, Street Layouts and Street Grades**

The Project Site will require additional public roadways, as there is currently not access to serve portions of the Project Site. As shown on the Exhibit "C" site plan, the development includes the construction of two major roadways, which will provide points of access from South 37<sup>th</sup> Street, West Omaha Avenue, and a new road (30<sup>th</sup> Street) to the southwest quarter of Parcel No. 590169157, which will serve as an eventual connection to Hwy 275. In accordance therewith, construction will include a north to south roadway on the east side of the property extending north approximately 500 feet beyond the northeast corner of the project site to serve as an eventual connection between HWY 275 and West Omaha Avenue, and an east to west roadway to connect South 37<sup>th</sup> Street to South 30<sup>th</sup> Street. All phases will include the construction of internal public roadways providing access to the lots within the respective phase. Redeveloper intends to construct (or cause others to construct) said access. Redeveloper will also construct access to the City's existing recreational trail network. The public improvements for the Redevelopment Project will address any traffic and street infrastructure concerns that

would otherwise be created by the Redevelopment Project. All streets and other public infrastructure constructed by Redeveloper will be subject to review and approval by the City's engineer or other designee of the City.

b. Construction of Water and Sewer Improvements.

Redeveloper will construct or extend water and sewer systems to provide appropriate service to the Project Site; and the Project Site will be filled and graded to provide for effective surface water runoff, including the construction of a detention cell. Redeveloper further intends to undertake any necessary construction of the water and sewer infrastructure to support the Project Site.

c. Other incidental improvements

The Project Site is currently undeveloped and will require grading to provide effective drainage throughout the area. The Project Site requires filling and grading to properly drain the ground water runoff and provide appropriate grading levels to erect various commercial and industrial building types. Redeveloper also anticipates the extension of electrical and natural gas facilities to the Project Site. The anticipated public improvements (and costs related to the public improvements) for all phases are listed in Exhibit "E", attached hereto and incorporated herein.

d. Additional public facilities or utilities

Other than the construction or extension of the utilities and infrastructure detailed above, Redeveloper and the City anticipate that the existing public facilities and utilities can adequately meet the demands of the Redevelopment Project.

e. Property Acquisition, Demolition and Disposal

No public acquisition of private property or relocation of families or businesses is necessary to accomplish the Redevelopment Project.

f. Population Density

The Project Site currently sits undeveloped and vacant. The Redevelopment Project will not increase population density, as the Redevelopment Project is not intended for the development of residential property.

g. Land Coverage

Land coverage for the Project Site includes approximately 140 acres of undeveloped land. The Redevelopment Project will consist of the construction of utility infrastructure and transportation networks to support the future development of approximately twenty-two (22) commercial, office or industrial buildings covering approximately One Million Two Hundred Twenty-eight Thousand (1,228,000) square feet of potential covered space, with the potential footprint thereof shown on the site plan set forth in Exhibit "C". The Redevelopment Project will comply with all applicable land coverage ratios required by the City.

h. Parking

Because the Redevelopment Project does not include construction of private improvements, the City's parking requirements are not applicable. However, developers seeking building permits on the completed lots will be required to submit site plans to the City showing that all relevant parking requirements will be met.

g. Zoning, Building Code and Ordinance

The Project Site is currently zoned as Agricultural. Agricultural zoning districts allow for farming and other agricultural practices. Accordingly, a zoning change is required. Redeveloper will apply to the City to rezone the site under a designation that permits commercial, office and industrial uses. Redeveloper will be responsible for all zoning, building code, or ordinance changes that are necessary for the Redevelopment Project.

## **2 Private Improvements**

Redeveloper will not construct the private improvements on the Project Site. Accordingly, such private improvements are not included in this Redevelopment Plan. However, Redeveloper anticipates the Redevelopment Project will support post-completion development of approximately twenty-two (22) buildings with approximately One Million Two Hundred Twenty-eight Thousand (1,228,000) square feet of potential covered space

**G. Project Costs**

The total estimated costs of the Redevelopment Project are \$13,279,399. The estimated costs of the Redevelopment Project are attached and incorporated herein as Exhibit "D".

## **H. Implementation**

Redeveloper is unable to undertake the construction of the first phase of the Redevelopment Project without some assurance that Redeveloper can undertake the additional phases. According to Redeveloper, it could not complete the initial public improvements but-for the approval of the entire Redevelopment Project and, likewise, the subsequent phases of the Redevelopment Project would not occur but-for these initial public improvements. Accordingly, this Redevelopment Plan contemplates that the costs and expenses of all the public improvements for the Redevelopment Project are eligible TIF uses for each phase of the Redevelopment Project (as allocated). As such, Redeveloper may apply the TIF revenues generated from each phase of the Redevelopment Project toward the payment of the eligible expenses of the entire Redevelopment Project, if necessary.

The Redevelopment Project's construction schedule will depend upon the current market demand and the need for commercial, office and industrial use buildings in the City. Development of the private improvements on the improved lots is anticipated to occur over the course of multiple years following the completion of the respective lot(s)/phase, and the construction of such private improvements will trigger the effective date (as defined in the Act) for such phase. Redeveloper anticipates commencing construction upon the approval of TIF and proceeding on a lot-by-lot and year-by-year basis until completion, with such lots completed in a given year constituting a "phase".

Redeveloper anticipates completion of the Redevelopment Project by December 31, 2029. However, the anticipated start date and completion date, and the anticipated timeframes for buildout of the developed lots, are preliminary and subject to change based upon market conditions, availability of materials, workforce availability and other extraneous factors, including Redeveloper's lack of control over the timeframe for subsequent private development on the completed lots. Additional phases spanning a number of years beyond the anticipated completion dates (or an expedited schedule) may be necessary as a result of such extraneous conditions or factors.

Upon the completion of each phase, Redeveloper will submit to the Agency an amendment to the "redevelopment contract" (as defined in the Act) on a form prescribed by the Agency. Each amendment to the redevelopment contract shall set forth the "effective date" (as defined in the Act) for the pertinent phase and must be submitted to the Agency on or before June 30 of the year in which taxes are to be divided for such phase. Redeveloper, the City and the Agency anticipate that the division of ad valorem real property taxes for each phase will occur on a yearly basis, as determined by the valuation increases that occur from the private development on specific lots during that year.



## **I. Financing**

The City and the Agency contemplate the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution(s) of the authority authorizing the issuance of bonds pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body (“Base Tax Amount”); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond resolution, in the redevelopment project in excess of the Base Tax Amount, if any, (referred to herein as “TIF Revenues”) shall be allocated to and, when collected, paid into a special fund of the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year and Base Tax Amount for each phase will be determined in the manner set forth in Section H, above. The Agency and Redeveloper anticipate that the effective dates will be different for each of the phases; and therefore the increment period for each phase will be different. It is further anticipated that the Agency will issue one TIF bond or note for all phases of the Redevelopment Project (i.e., one bond total) (the “TIF Indebtedness”); provided that the number of bonds and manner of issuance shall conclusively be set forth in the redevelopment contract or the resolution of the Agency authorizing the issuance of the TIF Indebtedness.

Notwithstanding any provision herein to the contrary, all tax revenues resulting from private improvements constructed/installed after the commencement of the first portion of each phase shall only be divided and allocated over the applicable 15-year increment period or payment of the TIF Indebtedness, whichever occurs first.

## **1. Necessity of TIF**

Redeveloper has represented and warranted to the City that it would not be economically feasible to develop the Redevelopment Project without TIF. Redeveloper is a non-profit entity with the mission of furthering economic development efforts in the City. Redeveloper's objective for the Redevelopment Project is to encourage needed commercial and industrial development in the City.

An estimate of Redeveloper's six-year cash flow with TIF is attached hereto and incorporated herein as Exhibit "G". In accordance therewith, Redeveloper's annualized return on investment with TIF is estimated to be 2.34%, which is considerably lower than the industry and market standard. However, as a non-profit entity, Redeveloper is willing to undertake the Redevelopment Project at such an annualized rate of return in order to further its objectives, so long as it can adequately service its project and operational costs. Without TIF, the Redevelopment Project would have a negative return on investment. Accordingly, the Redevelopment Project is not economically feasible without TIF and Redeveloper would not undertake the same without TIF.

Additionally, Redeveloper's sole means of financing is TIF and other community support contributions. The Project Site's total lack of infrastructure makes the area too costly to attract private developers. Thus, Redeveloper is undertaking the Redevelopment Project with the assistance of TIF to offset such costs and make the Project Site a viable area for private development. As such, in the absence of Redeveloper and the Redevelopment Project, development of the Project Site by private developers is economically infeasible due to the substantial infrastructure costs addressed by the Redevelopment Project.

Due to significant public improvement costs, Redeveloper cannot construct the Redevelopment Project without the use of TIF for all phases of the Redevelopment Project. Construction of the initial public improvements is not feasible without the intent to complete all the phases, and subsequent phases are not feasible without the use of TIF. Thus, the approval of TIF for all phases is critical to Redeveloper's undertaking of the Redevelopment Project, and the costs related to public improvements for any one phase that benefit or are necessary to the other phases may be allocated among such other phases regardless of when such construction occurs; provided that there is no duplication of costs.

## **2. Sources and Uses of Financing**

Based upon the projections provided in Exhibit "E", attached hereto and incorporated herein, the Agency and Redeveloper contemplate issuance of the TIF Indebtedness in an aggregate principal amount not to exceed \$13,279,399, at an interest rate to be determined by the Agency.

The total estimated cost of the Redevelopment Project is \$13,279,399. Because the Redevelopment Project consists only of public improvements constructed for the sole benefit of the City's economic development objectives, TIF will make up the entire means of financing for the Redevelopment Project.

**J. Cost-Benefit Analysis**

A cost-benefit analysis for the Redevelopment Project is attached as Exhibit "F" and incorporated herein.

Exhibits:

- Exhibit A-1: Redevelopment Area
- Exhibit A-2: Project Site and Existing Land Use
- Exhibit B: Future Land Use Map
- Exhibit C: Site Plan and Future Land Use
- Exhibit D: Estimated Construction Cost of the Redevelopment Project
- Exhibit E: Sources and Uses of TIF
- Exhibit F: Cost-Benefit Analysis
- Exhibit G: Projected Cash Flow

**EXHIBIT "A-1"**  
**Redevelopment Area**

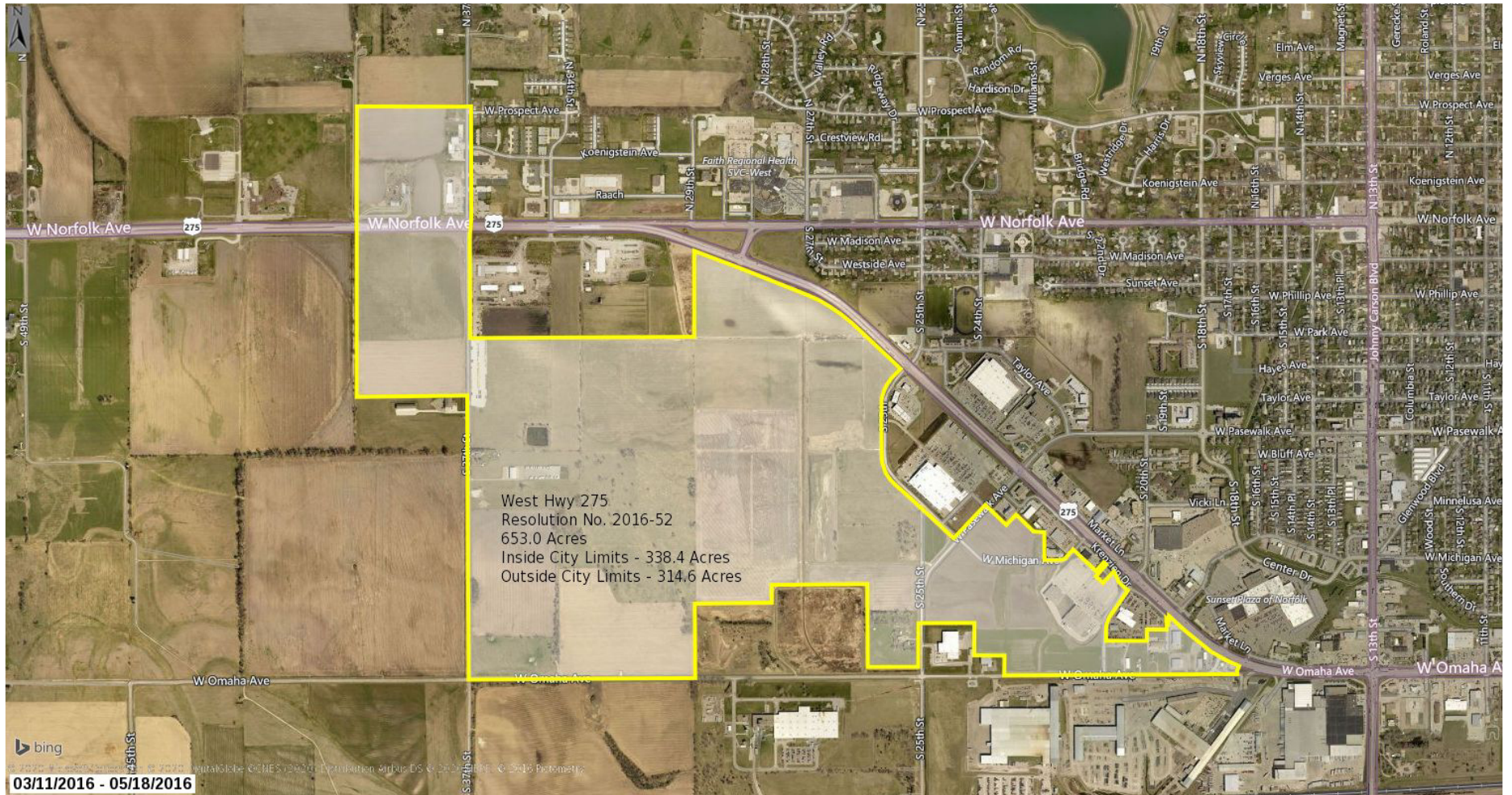


Exhibit "A-1"

**EXHIBIT "A-2"**

**Project Site and Existing Land Use**

**Legal Description:**

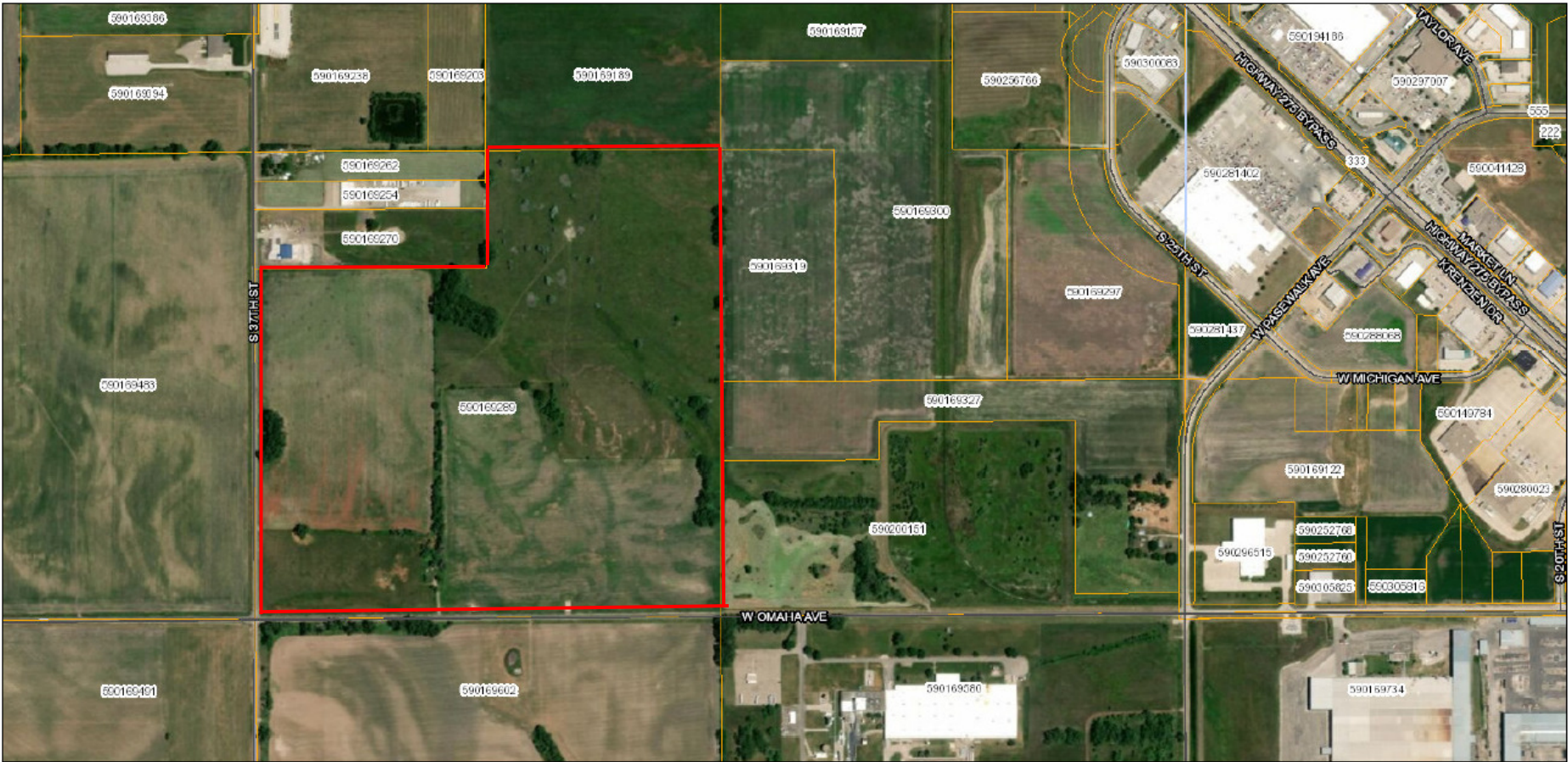
A TRACT OF LAND LOCATED IN PART OF THE SOUTHWEST QUARTER (SW1/4) OF SECTION TWENTY-NINE (29), TOWNSHIP TWENTY-FOUR (24) NORTH, RANGE ONE (1) WEST OF THE 6TH P.M., MADISON COUNTY, NEBRASKA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 29-T24N-R1W, SAID POINT BEING THE POINT OF BEGINNING; THENCE ON AN ASSUMED BEARING OF N01 '56'09"W, ALONG THE WEST LINE OF THE SOUTHWEST QUARTER (SW1/4), A DISTANCE OF 1997.65 FEET; THENCE N88'02'27"E A DISTANCE OF 1328.98 FEET; THENCE N01 '52'20"W A DISTANCE OF 332.54 FEET; THENCE N01'55'13"W A DISTANCE OF 166.61 FEET; THENCE N01'58'43"W A DISTANCE OF 166.03 FEET TO A POINT ON THE NORTH LINE OF SAID SW1/4; THENCE N88'04'16"E, ALONG SAID NORTH LINE, A DISTANCE OF 1329.27 FEET TO THE CENTER OF SAID SECTION 29; THENCE S01'56'32"E, ALONG THE EAST LINE OF SAID SW1/4, A DISTANCE OF 1328.79 FEET TO THE EAST 1/16 CORNER OF SAID SW1/4; THENCE S01'55'34"E, ALONG SAID EAST LINE, A DISTANCE OF 1328.67 FEET TO THE SOUTH 1/4 CORNER OF SAID SECTION 29; THENCE S87'56'25"W, ALONG THE SOUTH LINE OF SAID SW1/4, A DISTANCE OF 2658.47 FEET TO THE POINT OF BEGINNING. SAID TRACT CONTAINS A CALCULATED AREA OF 6,188,511.56 SQUARE FEET OR 142.069 ACRES MORE OR LESS OF WHICH 3.502 ACRES ARE COUNTY ROAD RIGHT-OF-WAY.

\* The Project Site will be subdivided and replatted as part of the Redevelopment Project. Any changes to the legal description as a result of such subdivision or replat shall automatically supersede and replace the above legal description.



Depiction and Current Land Use (outlined in red):

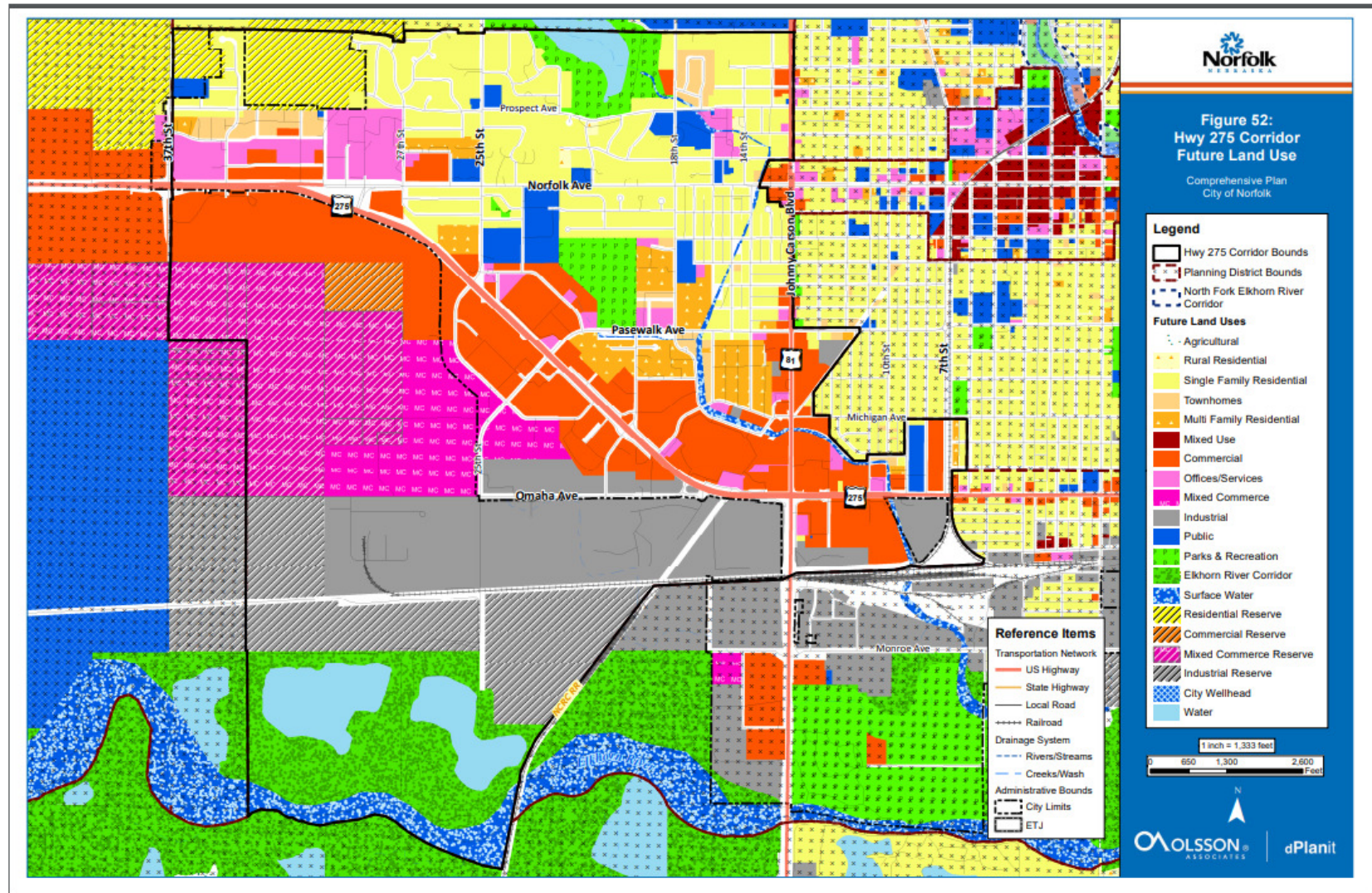


\* Project Site outlined in red.



## EXHIBIT "B"

### Future Land Use Map



\* Project Site designated as Mixed Commerce Reserve

Exhibit "B"



## EXHIBIT "C"

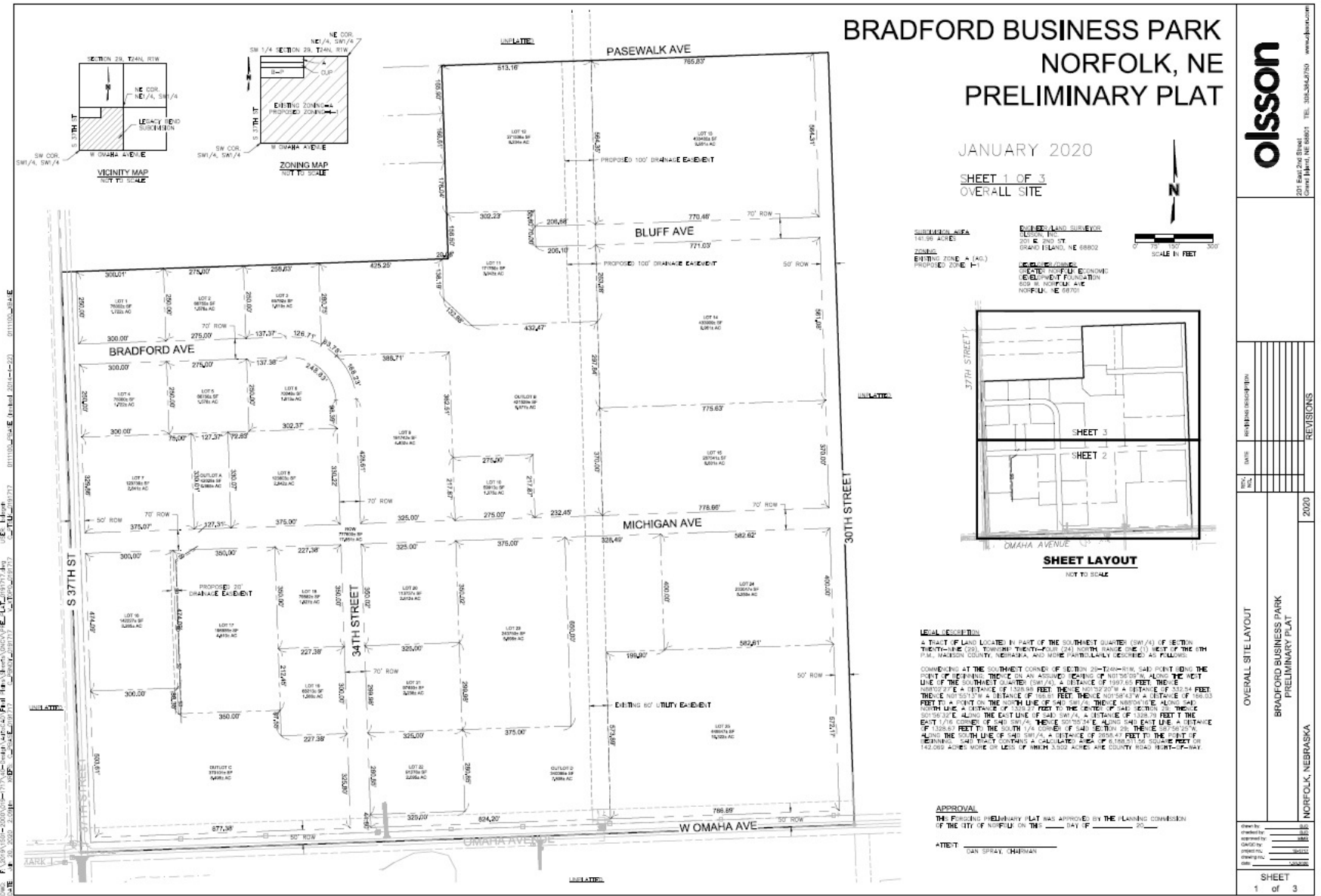
### Site Plan and Future Land Use



\* The above is a preliminary site plan and is subject to change.

Exhibit "C"

## **Preliminary Plat for Future Land Use**



\* The above is preliminary and subject to change.

Exhibit "C"

## EXHIBIT "D"

### Estimate of Construction Costs

Site Planning & Development	Phase I	Phase II	Phase III	
<b>Site Acquisition</b>				
Site Acquisition	\$1,260,000	\$0	\$0	\$1,260,000
	<b>\$1,260,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,260,000</b>

<b>Olsson - Site Planning &amp; Development</b>				
Grading	\$910,000	\$720,000	\$1,560,000	\$3,190,000
8" Paving (32' Roadway)	\$360,000	\$414,000	\$950,000	\$1,724,000
Storm Sewer	\$144,000	\$200,000	\$368,000	\$712,000
Water Main	\$150,000	\$352,500	\$345,000	\$847,500
Sanitary Main	\$414,000	\$135,000	\$243,000	\$792,000
Dewatering	\$115,000	\$37,500	\$67,500	\$220,000
Construction Costs Subtotal	\$2,093,000	\$1,859,000	\$3,533,500	\$7,485,500
20% Contingency	\$418,600	\$371,800	\$706,700	\$1,497,100
<b>Total Construction Costs</b>	<b>\$2,511,600</b>	<b>\$2,230,800</b>	<b>\$4,240,200</b>	<b>\$8,982,600</b>

<b>Additional Site Development</b>				
BHE - Natural Gas Extension	\$674,931	\$0	\$106,593	\$781,524
NPPD - Electricity extension	\$130,000	\$65,000	\$70,000	\$265,000
Landscaping	\$125,000	\$50,000	\$25,000	\$200,000
Trails & sidewalk development	\$300,000	\$300,000	\$0	\$600,000
<b>Total Additional Site Development Costs</b>	<b>\$1,229,931</b>	<b>\$415,000</b>	<b>\$201,593</b>	<b>\$1,846,524</b>

<b>Master Planning &amp; Engineering</b>				
Master Planning (\$58,000 - \$23,500-NPPD Grant)	\$34,500	\$0	\$0	\$34,500
Engineering Estimates	\$315,000	\$280,000	\$515,000	\$1,110,000
<b>Total Master Planning &amp; Engineering</b>	<b>\$349,500</b>	<b>\$280,000</b>	<b>\$515,000</b>	<b>\$1,144,500</b>

<b>City of Norfolk - Site Development</b>				
Preliminary Plat & abstractors certificate	\$675	\$0	\$0	\$675
Final Plat	\$2,790	\$2,790	\$2,170	\$7,750
Madison County Filing Fees	\$200	\$200	\$200	\$600
Zoning Change	\$800	\$0	\$0	\$800
Redevelopment Plan - Certified Mailing	\$200	\$0	\$0	\$200
Redevelopment Contract - Madison Co. Filing	\$50	\$50	\$50	\$150
<b>Total Planning &amp; Development Fees</b>	<b>\$4,715</b>	<b>\$3,040</b>	<b>\$2,420</b>	<b>\$10,175</b>

<b>Bradford Business Park - Misc. Expenses*</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	
Norfolk Area Chamber of Commerce - Admin	\$3,600.00	\$4,200.00	\$6,000.00	\$13,800.00
Elkhorn Rural Public Power District (ERPPD)	\$0.00	\$929.38	\$1,168.00	\$2,097.38
Baird Holm LLP - TIF Attorney	\$0.00	\$0.00	\$15,000.00	\$15,000.00
Copple, Rockey and Schlecht P.C., L.L.O.	\$1,130.00	\$2,382.50	\$1,190.00	\$4,702.50
	<b>\$4,730.00</b>	<b>\$7,511.88</b>	<b>\$23,358.00</b>	<b>\$35,600</b>

\*Include all in phase I cost estimates

<b>Total estimated planning &amp; development costs</b>				<b>\$13,279,399</b>
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\* The above estimates are preliminary estimates and subject to change.



## EXHIBIT "E"

### Sources and Uses of TIF

#### USES

Site Planning & Development	Phase I	Phase II	Phase III	
<b>Site Acquisition</b>				
Site Acquisition	\$1,260,000	\$0	\$0	\$1,260,000
	<b>\$1,260,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,260,000</b>

<b>Olsson - Site Planning &amp; Development</b>				
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Construction Costs Subtotal	\$2,093,000	\$1,859,000	\$3,533,500	\$7,485,500
20% Contingency	\$418,600	\$371,800	\$706,700	\$1,497,100
<b>Total Construction Costs</b>	<b>\$2,511,600</b>	<b>\$2,230,800</b>	<b>\$4,240,200</b>	<b>\$8,982,600</b>

<b>Additional Site Development</b>				
BHE - Natural Gas Extension	\$674,931	\$0	\$106,593	\$781,524
NPPD - Electricity extension	\$130,000	\$65,000	\$70,000	\$265,000
Landscaping	\$125,000	\$50,000	\$25,000	\$200,000
Trails & sidewalk development	\$300,000	\$300,000	\$0	\$600,000
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Zoning Change	\$800	\$0	\$0	\$800
Redevelopment Plan - Certified Mailing	\$200	\$0	\$0	\$200
Redevelopment Contract - Madison Co. Filing	\$50	\$50	\$50	\$150
<b>Total Planning &amp; Development Fees</b>	<b>\$4,715</b>	<b>\$3,040</b>	<b>\$2,420</b>	<b>\$10,175</b>

<b>Bradford Business Park - Misc. Expenses*</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	
Norfolk Area Chamber of Commerce - Admin	\$3,600.00	\$4,200.00	\$6,000.00	\$13,800.00
Elkhorn Rural Public Power District (ERPPD)	\$0.00	\$929.38	\$1,168.00	\$2,097.38
Baird Holm LLP - TIF Attorney	\$0.00	\$0.00	\$15,000.00	\$15,000.00
Copple, Rockey and Schlecht P.C., L.L.O.	\$1,130.00	\$2,382.50	\$1,190.00	\$4,702.50
	<b>\$4,730.00</b>	<b>\$7,511.88</b>	<b>\$23,358.00</b>	<b>\$35,600</b>

\*Include all in phase I cost estimates

<b>Total estimated planning &amp; development costs</b>				<b>\$13,279,399</b>
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\* The above figures are preliminary estimates and are subject to change.

## **SOURCES**

Aggregate Base Value (after construction of infrastructure):	\$1,296,180
Aggregate Final Value (after construction of improvements):	\$67,738,340
Aggregate Incremental Value:	\$66,442,160
Tax Levy (2019):	2.014163
Total Increment Available:	\$19,873,063*
TIF Indebtedness:	NTE \$13,279,399
Interest Rate:	TBD

\* Based on a 15-year increment period per lot to account for a 2-year construction period of the private improvements thereon.

## **ASSUMPTIONS**

### **Base Value of Improved Lots:**

#### *Land Value*

120 acres of commercial/industrial with infrastructure @ \$9,369/acre:	\$1,124,280
20 acres of commercial/industrial without infrastructure @ \$8,595/acre:	\$171,900
<hr/>	
TOTAL:	\$1,296,180

### **Final Value (post private development):**

#### *Land Value*

120 acres of developed commercial/industrial @ \$51,387/acre:	\$6,166,440
20 acres of commercial/industrial without infrastructure @ \$8,595/acre:	\$171,900

#### *Improvement Value*

1,228,000 sf of buildable area @ \$50/sf:	\$61,400,000
<hr/>	
TOTAL:	\$67,738,340

\* The above "sources" for the Redevelopment Project are estimates based upon the assumptions contained herein.

## **EXHIBIT "F"**

### **Cost-Benefit Analysis (Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for the Redevelopment Project, as described in the attached Redevelopment Plan, which will utilize funds authorized by section 18-2147 of the Act, is provided below:

#### **1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:**

The taxes generated by the base value of the Project Site will continue to be allocated between the relevant taxing jurisdictions pursuant to the Act. Only the incremental taxes created by the Redevelopment Project will be captured to pay for the project's eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Redevelopment Project, the true tax shift of the Redevelopment Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the estimated tax shift for the Redevelopment Project is set forth in Exhibit "E" of the Redevelopment Plan.

#### *Notes:*

- 1. All phases assume the assessed value of the re-platted and improved (i.e., post-completion of public improvements and prior to completion of private improvements) lots as the base value.*
- 2. The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2019 levy rate. There has been no accounting for incremental growth over the TIF period.*

#### **2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the redevelopment project:**

##### **a. Public infrastructure improvements and impacts:**

The Redevelopment Project requires extensive public infrastructure installation. The Project Site will require additional public roadways to provide access to properties within the Project Site. The Redevelopment Project will include the construction of a roadway to the

southwest quarter of Parcel No. 590169157, which will provide an eventual connection between the Project Site and US Highway 275. In addition, Redeveloper will construct a roadway to connect South 37<sup>th</sup> Street to the new roadway to the east of the Project Site. The public improvements for the Redevelopment Project will address any traffic and street infrastructure concerns that would otherwise be created by the Redevelopment Project.

Redeveloper will construct or extend trails, water, sanitary sewer, natural gas, and electrical infrastructure to provide appropriate service to the Project Site; and the Project Site will be filled and graded to provide for effective surface water runoff, including the construction of a detention cell. It is the intent of this Redevelopment Plan that such infrastructure and site preparation be paid for by the Redeveloper with such cost to be reimbursed by TIF. The Agency and Redeveloper do not anticipate that the Redevelopment Project will have a negative impact on City infrastructure or services.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Redevelopment Project should create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of TIF will defer receipt of a majority of new ad valorem real property taxes generated by the Redevelopment Project, the Redevelopment Project should generate immediate tax growth for the City. The Redevelopment Project and new commercial, office and industrial activity therein will require and pay for City services. Additionally, the City will collect sales tax on a portion of the materials used for the Redevelopment Project, in addition to the sales tax generated by commercial, office and industrial activities conducted in the business park once the private improvements on the Project Site are completed. It is not anticipated that the Redevelopment Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

**3. Impacts on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project:**

The future development of commercial, office, manufacturing, warehousing, and other industrial use will bring needed economic and workforce growth to the City. The completion of the business park is expected to create new jobs by allowing for current companies to expand, as well as attracting new business to the Project Site. Accordingly, the Redevelopment Project is expected to have a positive impact on employers and employees of firms locating or expanding within the boundaries of the area of the redevelopment project.

**4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the area of the redevelopment project:**

The Redevelopment Project should have a material positive impact on private sector businesses and citizens outside the boundaries of the Project Site. The Redevelopment Project will involve installation of public utilities, and the use of TIF should defray the costs of these and other public improvements that would otherwise be paid through tax revenue or special assessments that would burden adjacent property owners. The Redevelopment Project will provide much needed commercial, office and industrial development in the community, which will economically benefit employers, employees, and the City in general. Accordingly, the Redevelopment Project is anticipated to have a positive impact on surrounding employers and employees.

**5. Impacts on student populations of school districts within the City:**

The Redevelopment Project will not impact the student populations of the school district within the City. While the school district may see an indirect increase in student population associated with the new employees hired by incoming businesses to the Bradford Business Park, such population growth is desired by the City.

**6. Other impacts determined by the Agency to be relevant to the consideration of costs and benefits arising from the redevelopment project:**

The Project Site is blighted and contains substandard conditions that are a detriment to the City as a whole. The Redevelopment Project will revitalize and occupy a vacant space without negatively impacting the surrounding businesses, residents or straining the public infrastructure. There are no other material impacts determined by the Agency relevant to the consideration of the cost or benefits arising from the Redevelopment Project. As such, the costs of the Redevelopment Project are outweighed by its benefits.



## EXHIBIT "G"

### Projected Cash Flow

#### Bradford Business Park

Investment	2019	2020	2021	2022	2023	2024	2025
Land Acquisition - Paid on closing 2/11/19	\$630,000						
Land Acquisition - Financed Bradford Land Co.	\$630,000	\$582,894.00	\$542,394.00	\$501,894.00	\$461,394.00	\$0.00	\$0.00
Interest Payment - 3.05% interest per annum		\$19,215.00	\$17,778.27	\$16,543.02	\$15,307.77	\$14,072.52	\$0.00
Expenses							
Interest Payment		\$19,215.00	\$17,778.27	\$16,543.02	\$15,307.77	\$14,072.52	\$0.00
Property Taxes		\$8,182.26	\$8,182.26	\$24,220.11	\$22,521.75	\$20,823.38	\$19,125.02
Balloon Payment						\$461,394.00	

Income	Acres	Cost/AC	2020	2021	2022	2023	2024	2025
<b>Prospective Land Sales - 2020 (\$35,000/AC)</b>								
Ryan Olmer - Land Rent			\$5,434.27					
Leonard Olmer - Land Rent			\$10,068.00					
Business 1 - GNEDF Land Sale Income	5	\$30,500	\$152,500.00					
Business 1 - Bradford Land Co. - promissory note payment	5	\$4,500	\$22,500.00					
Business 2 - GNEDF Land Sale Income	5.468	\$30,500	\$166,774.00					
Business 2 - Bradford Land Co. - promissory note payment	5.468	\$4,500	\$24,606.00					
<b>2020 GNEDF Income</b>			<b>\$334,776.27</b>					
<b>2020 Bradford Land Note Payment</b>			<b>\$47,106.00</b>					
<b>2020 Total Income</b>			<b>\$381,882.27</b>					
<b>Prospective Land Sales - 2021 (\$35,000/AC)</b>								
Business 3 - GNEDF Land Sale Income	4.5	\$30,500		\$137,250.00				
Business 3 - Bradford Land Co. - promissory note payment	4.5	\$4,500		\$20,250.00				
Business 4 - GNEDF Land Sale Income	4.5	\$30,500		\$137,250.00				
Business 4 - Bradford Land Co. - promissory note payment	4.5	\$4,500		\$20,250.00				
<b>2021 GNEDF Income</b>				<b>\$274,500.00</b>				
<b>2021 Bradford Land Note Payment</b>				<b>\$40,500.00</b>				
<b>2021 Total Income</b>				<b>\$315,000.00</b>				
<b>Prospective Land Sales - 2022 (\$35,000/AC)</b>								
Business 5 - GNEDF Land Sale Income	4.5	\$30,500			\$137,250.00			
Business 5 - Bradford Land Co. - promissory note payment	4.5	\$4,500			\$20,250.00			
Business 6 - GNEDF Land Sale Income	4.5	\$30,500			\$137,250.00			
Business 6 - Bradford Land Co. - promissory note payment	4.5	\$4,500			\$20,250.00			
<b>2022 GNEDF Income</b>					<b>\$274,500.00</b>			
<b>2022 Bradford Land Note Payment</b>					<b>\$40,500.00</b>			
<b>2022 Total Income</b>					<b>\$315,000.00</b>			
<b>Prospective Land Sales - 2023 (\$35,000/AC)</b>								
Business 7 - GNEDF Land Sale Income	4.5	\$30,500				\$137,250.00		
Business 7 - Bradford Land Co. - promissory note payment	4.5	\$4,500				\$20,250.00		
Business 8 - GNEDF Land Sale Income	4.5	\$30,500				\$137,250.00		
Business 8 - Bradford Land Co. - promissory note payment	4.5	\$4,500				\$20,250.00		
<b>2023 GNEDF Income</b>						<b>\$274,500.00</b>		
<b>2023 Bradford Land Note Payment</b>						<b>\$40,500.00</b>		
<b>2023 Total Income</b>						<b>\$315,000.00</b>		
<b>Prospective Land Sales - 2024 (\$35,000/AC)</b>								
Business 9 - GNEDF Land Sale Income	4.5	\$35,000					\$157,500.00	
Business 10 - GNEDF Land Sale Income	4.5	\$35,000					\$157,500.00	
<b>2024 GNEDF Income</b>							<b>\$315,000.00</b>	
<b>Prospective Land Sales - 2025 (\$35,000/AC)</b>								
Business 11 - GNEDF Land Sale Income	4.5	\$35,000						\$157,500.00
Business 12 - GNEDF Land Sale Income	4.5	\$35,000						\$157,500.00
<b>2025 GNEDF Income</b>								<b>\$315,000.00</b>

\* The above figures are preliminary and subject to change.